

FILED

UNITED STATES DISTRICT COURT MAY 29 2014

FOR THE NORTHERN DISTRICT OF CALIFORNIA

San Francisco Venue

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

Petition for Arrest Warrant for Offender Under Supervision

Name of Offender

Luke D. Brugnara

Docket Number

0971 3:08CR00222-001 WHA

Name of Sentencing Judge: The Honorable William Alsup
United States District Judge

Date of Original Sentence: May 24, 2010

Original Offense

Count One, Two, and Three: False Tax Return, 26 U.S.C. § 7206(1), a Class E Felony.

Original Sentence: 30 months custody on each count, to run concurrently; one year term of supervised release on each count, to run concurrently.

Special Conditions: \$300 special assessment; \$50,000 fine; \$1,904,625.35 restitution; provide access to any requested financial information; comply and cooperate with the IRS in a good-faith effort to pay any outstanding tax liability, to include any assessed penalty and interest; provide the U.S. Probation Office with a copy of any written and approved agreement with the IRS for the payment of any outstanding tax liability, within 10 days from the execution of such agreement; timely and accurately file all future income tax returns required by law during the term of supervision, unless an extension of time is granted by the IRS; shall not own or possess any firearms, ammunition, destructive devices, or other dangerous weapons; shall cooperate in the collection of DNA; unless directed otherwise in writing, shall check his voice mail and/or answering machine on a daily basis to determine if any instructions were left by the probation officer. The defendant shall follow all such instructions, including but not limited to mental health counseling.

Prior Form(s) 12: On April 9, 2013, upon the Government's motion, the Court modified the conditions of supervised release to include: 1) defendant shall submit to search, and 2) defendant shall not transfer any assets without the consent of probation.

On October 22, 2013, the court found that the offender was not truthful in answering inquiries by the probation officer. He was untruthful about his ownership interest in Brugnara Properties VI and VII and untruthful that he had access to only one bank account. The offender was sentenced to one day custody and 364 days supervised release.

2472

RE: Brugnara, Luke D
0971 3:08CR00222-001 WHA

On April 28, 2014, a Report on Offender Under Supervision was filed alleging that the offender failed to pay his restitution, failed to submit his Monthly Supervision Report and failure to answer truthfully inquires from the probation officer. On April 29, 2014, the court took judicial notice on the above violation.

On May 20, 2014, the court conducted a status hearing and denied the offender's motion for early termination.

Type of Supervision
Supervised Release
Assistant U.S. Attorney
Thomas M. Newman

Date Supervision Commenced
October 23, 2013
Defense Counsel
Brandon LeBlanc (AFPD)

Petitioning the Court for the issuance of a no bail warrant for the offender's arrest.

I, Janie Zhuang, a Probation Officer employed in the United States District Court for the Northern District of California, solemnly affirm and declare, under penalty of perjury, that to the best of my information and belief, the facts set forth in this affidavit are true and correct. The factual affirmations made below are based on my personal knowledge, on official records or documents generated and maintained by my agency in the course of performing its functions, on official records or documents generated and maintained by other government agents or agencies in the course of performing their functions, or on information provided to me orally or electronically by employees or agents of other public agencies (information developed or acquired in the course of performing official agency functions).

Charge Number

Violation

One

There is probable cause to believe that the offender violated the general condition of supervision, which states that he shall not violate another Federal, State or local crime.

In February 2014, Mr. Brugnara represented to two art dealers in New York that he had the means and intention to purchase over three million dollars worth of art work. On April 7, 2014, after further negotiations with the victims, the victims shipped 5 crates of artwork to the Mr. Brugnara's home on Sea Cliff Avenue, San Francisco. The total negotiated transaction for the five crates of art work amounted to over eleven million dollars. One of the victims accompanied the art work to their destination, i.e. Mr. Brugnara's home, and confirmed the arrival of the five crates of art work. Mr. Brugnara convinced the victim to leave the art work in his home and subsequently refused to return the art work or pay for the art work. Furthermore, through email correspondence with the victim, Mr. Brugnara claimed to have received only four crates of art work.

RE: Brugnara, Luke D
0971 3:08CR00222-001 WHA

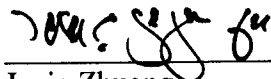
Mr. Brugnara was subsequently arrested by the Federal Bureau of Investigations on May 28, 2014, and charged with a violation of 18 U.S.C. §1341 - Mail Fraud. He was arraigned by Magistrate Judge Corley that same day. Mr. Brugnara was detained by the Court. A detention hearing is set for May 30, 2014.

Evidence to support this violation can be found in the Criminal Complaint filed in the Northern District of California, CR 03-14-70731-1 MAG.

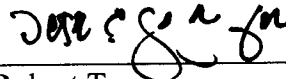
Based on the foregoing, there is probable cause to believe that Luke D. Brugnara violated the conditions of his supervised release. Therefore, I ask the Court to issue a no bail warrant for his arrest.

Respectfully submitted,

Reviewed by:



Janie Zhuang
U.S. Probation Officer
Date Signed: May 29, 2014



Robert Tenney
Supervisory U.S. Probation Officer

Having considered the information set forth above, the court finds there is probable cause to believe there has been a violation of the conditions of supervised release and orders:

- ☒ The issuance of a no bail warrant AND ORDER THAT THIS FORM BE FILED UNDER SEAL, AND NO PUBLIC RECORD OF WARRANT ISSUANCE BE MADE, UNTIL EXECUTED WARRANT IS RETURNED FROM THE U.S. MARSHAL. THE FORM 12 WILL BE AUTOMATICALLY UNSEALED AND BE PART OF THE PUBLIC RECORD UPON ITS EXECUTION.
- ☐ Other:

Date

5-29-14


 William Alsup
United States District Judge

RE: Brugnara, Luke D
0971 3:08CR00222-001 WHA

4

APPENDIX

Grade of Violations: B [USSG §7B1.1(a)(3), p.s.]

Criminal History at time of sentencing: II

	Statutory Provisions	Guideline Provisions
Custody:	One year (underlying offense is a Class E felony) 18 U.S.C. § 3583(e)(3)	6 to 12 months USSG §7B1.4(a), p.s.
Supervised Release:	One year less any term of imprisonment imposed 18 U.S.C. § 3583(h)	One year less any term of imprisonment imposed USSG §7B1.3(g)(2), p.s.
Probation:	Not authorized	Not authorized